



Fort Collins Climate Task Force
 December 5, 2007
 281 N. College, Conf Rooms A&B
MEETING MINUTES



Present:

Board Members and Alternates

John Bleem	P			Garry Steen	P
Bill Farland	P	Blue Hovatter	P	Norm Weaver	P
Bill Franzen	P	Jeff Lebesch	P	Steve Wolley	A
Phil Friedman	P	Eric Levine	P		
Stephen Gillette	P	Liz Pruessner	P		

Others present: Art Bavoso, Facilitator
 Judy Dorsey, The Brendle Group
 Lucinda Smith, Natural Resources Department
 Marcia Fitzhorn, PTAG

Public Input

Marcia Fitzhorn told the task force a little bit about the group she represents, PTAG (Public Transit Advocacy Group) and stated that they look forward to working cooperatively with the task force on transit issues in the future.

Task Force Member Input

Phil passed around a Guest Opinion article from the Denver Post by Sol Shapiro who was a member of the Western Governor’s Association Solar Task Force. He raises points about who should pay for homeowner energy efficiency upgrades and offers alternative approaches to initiate and fund these programs.

Approve Minutes

Liz moved to approve the November 28. Stephen seconded.

The task force unanimously voted to approve the November 28 minutes.

Agenda Review

Lucinda pointed out rough allocation of minutes by topic. She said that The Brendle Group will be able to do the cost analysis for aggressive scenarios if the task force selects them. She also reminded the group that they have three months until the initial package goes to a City Council work session.

Relationship to State Strategies

Judy reviewed an updated table with the complete list of state Climate Action Panel (CAP) strategies. It contained updated recommendations on the 13 state recommendations that would directly supplement (add to) Fort Collins greenhouse gas reductions by 86,000 tons CO2e if

implemented. It identified other strategies that would support Fort Collins strategies (Shore up) but likely represent double counting, and those that are not applicable in Fort Collins. She said this exercise really corroborates the analyses done for the task force because the Fort Collins contribution fits within the margin of error of local measures analysis. She feels the task force analysis was more dialed in to local specifics than the state process was, and that it was more conservative than the analysis of CAP measures.

The overall cost effectiveness threshold in the McKinsey Report is \$50/ton, while the Fort Collins average cost-effectiveness is ~ \$20/ton, and the CAP cost-effectiveness is negative (Net savings). Judy also said that she doesn't think Fort Collins is missing any measures after reviewing the McKinsey Report. (See <http://www.mckinsey.com/client-service/ccsi/greenhousegas.asp>)

Measure Discussion

Measure #43 – Solid waste reduction

Eric: move to adopt aggressive scenario

2nd: Garry

Discussion: Liz asked Stephen for his perspective as a landfill manager. Stephen said it depends on residential versus residential and commercial – they are a totally different ballgame. Although Eric indicated in the survey that Loveland does it. Well yes, they do, but they charge a \$6.25/household. So Stephen comes down on the conservative side.

John asked Lucinda to review the aggressive scenario again. [Lucinda listed the items]. The conservative scenario takes selected strategies from the model already done for the 50% diversion study, and applies these factors in 2010. The aggressive scenario takes these same strategies, but with quicker ramp up to achieve the 2015 levels of implementation in 2010. Same set of measures, just more rapid ramp up. John asked whether the Natural Resources Department thinks this is realistic. Lucinda said staff feels it's feasible if given the political will. Technically and practically it's possible to do it.

Eric asked for background on City's study of 50% diversion goal. Lucinda described the process and presentation to Council. They weren't very receptive to it over a year ago, but did adopt one measure. The new City Council hasn't been presented with the updated information and the link to climate protection. Eric suggested that after discussion we immediately jump to the cost analysis. Eric reminded people that this is a very large measure that represents 23% of the entire package and that the resolution charged us to create a package that meets the goal. I think we need to put together a package that meets the council resolution.

Phil pointed out that we discussed what would happen if big ticket items get removed. So he says if we remove a big ticket item before Council can see it, then that short circuits Council's opportunity to look at these options. All of the concerns are valid, but if we take a measure like this off, we lose a large potential for meeting the goal.

Bill Farland points out that this has to do more with pace than anything else. The proposal is to take an aggressive approach to pacing this one. His sense is why don't we push for this as one of the aggressive ones to go after and suggest it should be done at a faster pace. Norm echoed Bill's point – this indicates what needs to be done, time will tell how it plays out. John would be reticent if staff said they couldn't do it, but sounds like Lucinda earlier indicated that it is possible. Art reiterated the process for staff buy-in, that City staff will have a chance to provide feedback on the measures but they need to know what the task force is thinking first.

Bill Franzen pointed out that all of these measures will have political ramifications to someone – we almost need to put that aside on a certain level to raise awareness to City Council that something needs to be done. There has to be some profound statement to council and this is one of the ones that we can do that on.

Eric moved to adopt the aggressive scenario of the 50% waste diversion goal measure. Garry seconded. 10 in favor, one abstain (John) Motion passes

Measure #23. Enhanced Climate Wise

Lucinda summarized that the both the conservative and the aggressive scenario represent levels above the current, business as usual, projected growth for Climate Wise in 2010. The conservative case provides 72,000 additional tons by 2010 by adding 1 FTE to work with businesses. The aggressive case provides 132,000 tons by ramping up number of participating partners and gaining more reductions from existing partners.

**Motion: Bill Franzen moved to adopt aggressive scenario
2nd: Blue**

Discussion: Eric points out this has been a success story and feels fairly confident we can meet this. Liz points out the cost effectiveness is very low at \$0.30/ton. Norm comments that under the current analysis, new partners would out-perform existing partners and suggested it warrants a double checking. Lucinda explained that the higher number in the aggressive scenario reflects existing partners improving their participation as well. Eric is concerned about saturation of this program, but has reason to suspect we're not there yet. Bill Franzen comments that PSD is on track for ongoing reductions. Bill Farland noted that the estimates for costs show some economy of scale on this one, another good reason to ramp up to the aggressive scenario.

Bill Franzen moved to adopt the aggressive scenario of the Enhanced Climate Wise measure. Blue seconded. All in favor – none opposed. Motion passes unanimously

Measure #26. GHG Goals for Government Organizations

Lucinda summarized that this measure applies to City, CSU, and Larimer County. The conservative case assumes that City sets a 5% goal and CSU and Larimer County set a 1% goal; the aggressive case assumes all 3 reach 10% reduction from 2006 baseline by 2010.

Motion (Phil): to adopt the more aggressive scenario
2nd: Liz

Discussion: Phil comments that it's a little disingenuous to push aggressive scenarios for the other measures and conservative for this when it's being put forth by government – need to lead by example – good reason for all 3 governmental entities to be in this mindset. John raised the question about double counting with Climate Wise. Lucinda indicated that in both scenarios only 25% of this is additive and 75% is double counting.

Norm asked about the greening government goal (Governor Ritter' executive order for state facilities). John indicates that 10% is an enormous amount for these types of facilities from what he's seeing, considering the growth for CSU – seems unrealistic for them to meet it and notes concerns from CSU facilities staff. Bill Franzen asked if that's per capita or total tons. Bill Farland noted that yes, its total tons. He said that in the next couple of years, CSU is trying to take actions now and think they can make that downturn but then they will really have to work to maintain it in the face of growth we're talking about. Lucinda referenced a recent presentation by CSU facilities on projects they think will help achieve this goal. Eric noted this 22,000 tons is for all 3 entities combined. Bill Franzen gave examples of how some buildings will never get there, but some will and that human behavior (such as at Rocky Mt HS) plays a big role – some will make it and some won't but maybe overall they can get there. Norm commented that he's inclined not to vote for the aggressive scenario because of the time frame factor, not for any other reason. Eric pointed out that the conservative goal seems low and that we're not asking nearly enough. Bill Franzen asked whether the aggressive is faster ramp-up? Lucinda indicated its not organized like that. It's not moving faster; it's a bigger goal. Discussion ensued about the Greening Government goal. Bill Franzen notes that 20% by 2012 (greening government) is more aggressive.

Phil moved to adopt the aggressive scenario of the Government Organization GHG total measure.
Liz seconded.
8 in favor, 3 opposed (Norm, John, and Stephen) Motion passes.

Measure #38. Incentives for residential and commercial renewable energy.

Lucinda summarized that this measure is proposed to be funded by surcharge. 1/3rd goes to wind energy; 1/3rd to PV; 1/3rd to purchase RECs based on assumption that wouldn't have enough customers to find PV and wind with the amount of money that is collected. It is based on CA surcharge of 2% to raise incentive money for renewable. Norm points out there are a variety of ways to craft a program, so Norm hopes the group won't get stuck on the particulars. It was not analyzed to be a fund per se.

John asks a clarifying question about whether this is in addition to EESP goals? (Yes) Phil asked about City incentives, do the consumers pay for 1/2? Yes, the incentive is matched 50:50. Phil notes that it models well based on Xcel's existing program.

Motion (Liz): Use \$ equally for the on the ground solar, wind, and RECs.
2nd: Garry

Discussion: Phil – this is an incentive for residential and commercial customers, so how do RECs fit in? (REC s are normally purchased by a utility.) Norm replied that if you wait until you can expend the surcharge revenue on all available projects, you may not be able to use it all. So RECs is a way to get carbon benefits while waiting for the projects to come forward.

Blue was thinking about the RECs piece. He wondered if we have other pieces we know we have to fund, would it be better to spend the remaining revenue from this measure on other measures, rather than to purchase RECs. Would that money in the near term be better spent in other aggressive scenarios as opposed to purchasing RECs? John said that, in terms of clarity, let's modify the motion to explicitly say 'raise utility rates'.

Motion (2): Raise elec Utility rates 2% and uses \$ equally for on the ground

Continued discussion: Bill Farland said it seems like the RECs here is just illustrative of what to do. I'm not sure what we're voting for – we've decided we want to incentives, but the plan isn't as clear.

Norm said the original plan was for local residential renewable. For X dollars, here's one way of measuring the impact. Judy points out that REC component becomes a wash once remove double counting w/measure 34. Phil says it's an interesting way to capitalize on a stagnant pool, but by the same token, if it goes forward as an incentive, throwing RECs in makes it harder to understand and can backfire in public's eye, especially with public opinion about RECs – might seem like they're be forcibly placed in a green energy program.

Eric asked questions about differences in different iterations of the spreadsheets between Sept and Oct. Eric notes in the hierarchy that local is important, but need confirmation on tonnage before he votes.

Motion (3): Raise electric rates 2% for on the ground solar and wind

Continued discussion: John said that maybe it should just be for solar and drop the wind? Blue is concerned with low income homes. Norm points out that have to determine what the design intent is later on – comprehensive policy that covers a lot of different things. Phil said this measure leaves out the easier and less costly solar domestic hot water. Eric asked if we can establish a hierarchy with preference to local vs. wind vs. RECs?

Art suggested that the group first agree (or not) on establishing a fund and that its for renewable and stop there? Bill Franzen said that an alternative is to leave the REC in there with some language about transition and plan for being sustainable for on-ground projects. But, if our charge is to come up with a solution, the RECs are one of those things that we have to keep on there as a transition. Bill Farland said if we do that (just say 'on the ground' projects), then don't have any way to estimate eCO2 reductions. At least what we had from Norm's analysis was a method to quantify CO2e benefit. Bill Franzen countered that if it goes back to wind, then Fort Collins isn't a good candidate, for example. John agrees with Bill, but also like Phil's idea of solar thermal option and said PRPA has been looking at that. Judy pointed out alignment with

state and solar thermal and geothermal. Liz likes that but also concerned about low income people. Phil points out that this is just inherent in the case when we raise money from the broader public and redistribute that to a smaller group, like Xcel is doing, this inequity is inevitable. He's not sure how to get around it – it comes with the territory.

Phil also points out that natural gas isn't as carbon intensive as coal. But John B points out that even solar electric displaces natural gas (like solar thermal) not the base load of coal. The more expensive generation source is backed off first, and that is natural gas turbines, not coal, so the CO2 benefit is smaller.

Judy asked the group to at least specify either the specifics or whether the measure would apply to residential and small commercial customers, they could analyze it. Bill Farland said we need off the shelf approaches that can be installed and achieve benefit by 2010. Phil said the three most currently likely in urban environment are PV, solar thermal, and ground source heat pumps.

Motion (4): Analyze raising electric utility rates 2% and use for on the ground renewable energy (off the shelf PV, solar thermal, and ground source heat pumps).

Discussion continued: Is ground source heat pump renewable? Jeff supports that it is renewable energy because all the technologies take energy for processing/distribution, but geothermal still makes use of an environmental resource. John noted it is renewable from a thermodynamic standpoint, but not on the state list. Norm is roughly thinking that this approach will drop the CO2e benefit significantly.

Liz moved to: Analyze raising electric utility rates 2% and use for incentives for on the ground renewable energy (off the shelf PV, solar thermal, and ground source heat pumps). Garry seconded. 10 in favor, none opposed, 1 abstain (Blue). Motion passes.

Measure #34/#37

Lucinda summarized that they both achieve the same thing; set a goal to achieve 15% renewable energy by 2010 instead of 2017. One uses the purchase of RECs and one uses installed wind and hydro energy.

John pointed out that is over 90MW of wind – that's a tremendous investment in a very short time. This is much more aggressive than what he presented and proposed earlier about 20% by 2020. There is no way to get 90 MWh of wind on-line by 2010.

Motion (Norm): Start with a major portion of RECs in short term (2-5 years) and set a policy goal to move towards purchased wind.

2nd: Eric

Discussion: Bill Farland notes that we haven't talked about the CSU Maxwell Ranch project. That is about the size project this would represent and based on meetings w/developer, the timeframe is also the same. How that fits into this, in discussions with City right now. John states a concern that the challenge with 90 MW of wind is backing up the wind. And based on

testing at Rawhide, wind energy reduces the efficiency of entire plant as it ‘chases the wind’, resulting in an estimated 5-8% reduction in efficiency.

Norm said the intent of blending is to go forward as aggressively as possible. Eric asked if solar would be a good match with wind? John said that from the data that we have in this area of the country there really is no coincident or diversity benefit by putting solar and wind together.

Blue wants to know the money is being spent as wisely as possible and is concerned whether RECs is the best use of that money. He wants to spend money on things that will start now and last. Bill Farland raised a parking lot item (but will have to relay the issue to Council) that to meet the short term goal, we have to use RECs. Eric reminded the group that we’re charged to address beyond 2010 as well. Eric wants to get at synergies we can’t fully get – like cost effective storage of energy and looking into the long range. John asked Blue whether he’s comfortable with other forms of carbon offsets such as tree planting, or is the main issue implementing programs that have local benefit? Blue replied the main issue is local. Bill Franzen suggested a compromise, instead of 5 year weaning off RECs, shorten that further to through 2010.

Motion (2): start w/major portion of RECs short-term (2010) to meet measure and have a policy goal to move towards purchased wind.

Norm moved to start w/major portion of RECs short-term (2010) to meet measure and have a policy goal to move towards purchased wind. Eric seconded.
11 in favor, none opposed. Motion passes unanimously.

Measure #35. Local carbon offset (renamed)

Lucinda summarized that the conservative scenario has 1% of households going carbon neutral by 2010 and the aggressive scenario has 5% going carbon neutral by 2010.

Motion: Create a voluntary local carbon offset program for local carbon offset projects at the aggressive level (5% household participation). Motion Seconded.

Discussion: Is the 58,000 tons still the same given the possible double-counting with the aggressive solid waste? Judy said the analysis includes a hypothetical portfolio of programs that could be implemented through a local carbon offset program, but yes, considering double-counting with the aggressive solid waste measure could slightly reduce the benefit and/or increase the cost/ton. Bill Farland asked questions about demographics about who is subscribing to the voluntary wind program? Norm said that probably the demographics data are they but they have not pulled them out yet. Bill Farland wondered about willingness to pay. If households with higher than average incomes reduced their carbon footprints, perhaps the total carbon reduction would be larger than for the average household. He was presuming the analysis was done based on the average energy use, but if we knew that usage intensity is at the high end, then that would change the result. Eric asked about administrative costs. Judy replied they are covered by the revenue generated through the measure, so it is fully self-funding.

Moved to create a voluntary local carbon offset program for local carbon offset projects at the aggressive level (5% household participation). Seconded.
11 in favor, none opposed. Motion passes unanimously.

Measure #31. Community Climate Challenge

Lucinda summarized that this measure looked at the Denver Community Climate Challenge but analyzes only the CLF component, as the other components were covered in other task force measures. The conservative scenario says that 50% of households change 1 CFL and 2,000 tons CO₂ are avoided. The aggressive scenario says that 75% of change 1 CFL and 3,000 tons are avoided. She referred to a question on the recent e-mail poll – are you interested in seeing a broader statement based on per capita reduction. As an example, a 1% per capita reduction results in 27,000 tons.

Stephen said that when he first looked at this, he thought what a simplistic thing (1 bulb) to look at, but the more he thought about it, at least it's something that everyone can rally around and that everyone can do it. It's getting folks on the band wagon and provides something to rally around – keep it simple.

Motion by Stephen: Go to community wide challenge with CFL bulb on the aggressive level.

2nd: Norm

Discussion: Jeff said it 1 bulb in ½ of households get us 2,000 then 10 bulbs in every household gets us close to the 27,000 ton per capita level goal. That doesn't seem like a stretch. Norm, likewise points to EPA stats about the high benefit if the entire nation embraces this. John said that in PRPA's experience from utility programs, if buy-down the price and do for 12 months versus 3 months should be able to get 100% of households. PRPA's consultant's aggressive approach says they could achieve 2 CFLs/household. Bill Farland asked if there are data from Xcel? John said that the Xcel program was fund-limited and short-lived. John argued that Xcel program is very modest. Eric is amazed that there's so much opportunity still for this kind of switch over – he's already switched. Bill Farland suggested that maybe a way to get it out there is partnering with door to door clubs like Girl Scouts. Jeff said yes, let's buy and hand out these things via teams with trucks.

Motion (2): Two bulbs for 100% of households

Discussion: Does 100% back us into a corner. In response, if some households buy more than 2, we are covered. Blue said that maybe we propose more options/solutions to get to the per capita, but is there a way to activate the individual a little more and allow for more beyond CFLs. John is also worried about double counting again. Bill Franzen said yes because once reach the goal of 2 CFLs per household, you're done. So we need some sort of ongoing campaign for the challenge.

Liz points out that in our poll, doing more than CFLs was the majority opinion – this is the one place in the plan to do the social side of it, the other measures are more technology focused. We

need the community to embrace our list of measures. We need to do something to embrace the public – can be way more than 2 bulbs. Phil suggests personalizing this by couching the challenge as 1 CFL per person in the household – so it scales to family size. Norm said it can be crafted to be a per capita challenge with a feature that will start with the City’s promotion of 2 CFLs per household. Jeff supports Liz’ comments about getting into the minds of the community – can’t leave or ignore that. How to add that on, not sure? Bill Farland questioned whether it makes sense for the City to buy the bulbs when the payback is so good to the consumer – they’re going to benefit. How about one per capita per year and re-advertise every year. John said PRPA’s consultants have shown us the more that the utility pays, the more people will buy them. John suggest keeping the same name – start with Community Wide “Lighting” Challenge and add later additional steps.

Motion (3): Launch an ongoing Community-Wide Climate Challenge Initiated by a CFL Campaign (average 2 CFLS in all households) with overall aim to reduce per capita ghg emissions.

Stephen moved to launch an ongoing Community-Wide Climate Challenge Initiated by a CFL Campaign (average 2 CFLS in all households) with overall aim to reduce per capita ghg emissions. Norm seconded.
All in favor, none opposed. Motion passes unanimously.

Art concluded by asking everyone what two things they learned from the discussion this evening. Lucinda pointed out that there are only two task force meetings before the Council work session and asked if the task force would like to extend their next meeting. All agreed thought Blue is not able to attend past 6:30 p.m. The next meeting will continue this process and then discuss transportation. It was also clarified that December will still be used for board presentations.

Next Meeting

Tuesday, January 8, 2008
4:30 – 8:30 p.m.
215 North Mason, Community Room